

Message Text

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ORIGIN XMB-04

INFO OCT-01 ARA-14 ISO-00 EB-08 /027 R

XMB

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-----121457 171713Z /46
R 171401Z AUG 78
FM SECSTATE WASHDC
TO AMEMBASSY KINGSTON

UNCLAS STATE 208708

E.O. 11652:N/A

TAGS:EFIN

SUBJECT:EXIMBANK GUARANTEE BG-9501/G-206-6
BUYER - ROSE HALL (H.I.) LTD., MONTEGO BAY
U.S. BANK - CITIBANK INTERAMERICA, MIAMI, FLORIDA

1. ON SEPTEMBER 15, 1973, ROSE HALL PURCHASED EMERGENCY
POWER GENERATING EQUIPMENT VALUED AT U.S. DOLS
311,500.00 FROM CONSOLIDATED ELECTRIC SUPPLY, INC., MIAMI,
AND ISSUED A PROMISSORY NOTE FOR DOLS 280,000.00 PAYABLE
QUARTERLY OVER FIVE YEARS. INSTALLMENTS NO. 5 THROUGH 19,
DUE DECEMBER 9, 1974 THROUGH JUNE 9, 1978 ARE IN DEFAULT.

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2. BECAUSE LOCAL CURRENCY IN THE AMOUNT OF J DOLS
221,863.60 IS ON DEPOSIT WITH CITIBANK-KINGSTON,
CITIBANK-MIAMI FILED CLAIM WITH EXIMBANK UNDER THE TRANSFER
RISK COVERAGE OF ITS GUARANTEE. UNDER THE PROVISIONS OF
SAID COVERAGE EXIMBANK MUST BE SATISFIED THAT (1) LOCAL
CURRENCY WAS PAID ON THE DUE DATE(S) OR WITHIN NINETY
DAYS OF DUE DATE(S) AND (2) THAT ALL APPLICABLE LAWS AND

REGULATIONS FOR THE ACQUISITION AND TRANSFER OF DOLLARS, INCLUDING SUBMISSION OF NECESSARY DOCUMENTATION TO THE EXCHANGE AUTHORITY HAVE BEEN COMPLIED WITH. EXIMBANK IS

SATISFIED THAT (1) IS IN ORDER BUT HAS RECEIVED CONFLICTING INFORMATION ABOUT (2).

3. BY LETTER DATED JUNE 21, 1978, EXIMBANK WAS INFORMED BY THE EMBASSY OF JAMAICA, WASHINGTON, D.C., THAT THE DELAY IN TRANSFER IS NOT DUE TO THE FAILURE OF THE BANK OF JAMAICA TO PROVIDE FOREIGN EXCHANGE. IF THIS INFORMATION IS CORRECT, IT WOULD SEEM THAT THE REASON FOR NON-TRANSFER IS DUE TO NON-COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS ON THE PART OF THE BUYER, HIS AGENT

OR THE DEPOSITORY BANK. EXIMBANK RAISED THIS QUESTION WITH CITIBANK-MIAMI AND ON AUGUST 10, 1978 RECEIVED A TELEX FROM CITIBANK-KINGSTON STATING THAT QUOTE THE DELAY IN TRANSFERRING U.S. DOLLAR OBLIGATION IS NOT DUE TO THE FAULT OF THE CLIENT, HIS COLLECTING AGENT OR A COLLECTING BANK ENDQUOTE. THAT ANSWER WOULD SEEM TO INDICATE THAT

ALL APPLICABLE LAWS AND REGULATIONS HAVE BEEN COMPLIED WITH AND THAT THE REASON FOR NON-TRANSFER IS NON-UNCLASSIFIED

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AVAILABILITY OF FOREIGN EXCHANGE ON THE PART OF BANK OF JAMAICA.

4. TO RESOLVE THE ISSUE AND DETERMINE EXIMBANK'S LIABILITY, IF ANY, THE POST IS REQUESTED TO CONTACT BOTH CITIBANK-KINGSTON AND BANK OF JAMAICA TO DETERMINE THE

REASON FOR NON-TRANSFER. ANY INFORMATION THAT MIGHT BE DEVELOPED WILL BE APPRECIATED. VANCE

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Message Attributes

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Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BANKS, CREDIT GUARANTEES
Control Number: n/a
Copy: SINGLE
Draft Date: 17 aug 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Litigation History:
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Message ID: 159dfc61-c288-dd11-92da-001cc4696bcc
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Original Classification: UNCLASSIFIED
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Original Previous Classification: n/a
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Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1707890
Secure: OPEN
Status: NATIVE
Subject: EXIMBANK GUARANTEE BG-9501/G-206-6 BUYER - ROSE HALL (H.I.) LTD., MONTEGO BAY U.S. BANK - CITIBANK INTERAMERICA, MIAMI, FLORIDA
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